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केन्द्र-शासित प्रदेश लद्दाख प्रशासन
ADMINISTRATION OF UNION TERRITORY OF LADAKH

TRANSPORT DEPARTMENT
Notification

Ladakh, the 10th of September, 2025

Approval of the Lieutenant Governor, Union territory of Ladakh, is hereby conveyed for the "Ladakh Motor Vehicle Scrapping Policy, 2025".

The details of the Policy are as appended to this notification.

By order of the Lieutenant Governor, Union territory of Ladakh.

Sd/-
(Bhupesh Chaudhary) IAS,
Administrative Secretary.

Copy to the:

1. All Administrative Secretaries, UT of Ladakh.
2. Director General of Police, UT of Ladakh.
3. All Heads of the Departments, UT of Ladakh.
4. Deputy Commissioner CEO LAHDC, Leh/Kargil.
5. Sr. Superintendent of Police, Leh/Kargil.
6. Sr. Superintendent of Police, Traffic, Ladakh.
7. Regional Transport Officer, UT of Ladakh.
8. Assistant Regional Transport Officer, Leh/Kargil.
9. OSD with the Hon'ble Lieutenant Governor, UT of Ladakh for kind information of the Hon'ble Lieutenant Governor.
10. OSD with the Chief Secretary, UT of Ladakh for kind information of the Chief Secretary.
11. In-charge website, NIC, Leh for uploading the notification on website.

MOHD USMAN KHAN
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(Dr. Mohammad Usman Khan) JKAS,
Additional Secretary.

LADAKH MOTOR VEHICLE SCRAPPING POLICY – 2025

1. Introduction.— The Ministry of Road Transport & Highways has introduced the Voluntary Vehicle-Fleet Modernization Program (V-VMP), also known as the "Vehicle Scrapping Policy". This initiative aims to establish a comprehensive ecosystem for the phased retirement of unfit and polluting vehicles, prioritizing environmental sustainability and eco-friendly practices.

The implementation of the Vehicle Scrapping Policy is anticipated to have a positive impact on the automotive industry, leading to increased vehicle sales, job creation, reduced import costs and generating additional revenue through the Goods and Services Tax (GST). Furthermore, this policy plays a crucial role in promoting a circular economy, effectively converting waste into wealth and contributing to the country's sustainable development goals.

The Union territory of Ladakh considers that guidelines for disposal of the vehicles should be formulated to offer an authorized place to the registered owners of End-of-Life Vehicles (ELV) to get their vehicles scrapped. Such scrapping Guidelines and scrapping procedure will help in ensuring that the vehicles, so scrapped, do not cause damage to environment and there should be a proper disposal of hazardous components of the scrapped vehicles.

In this backdrop, the Ministry of Road Transport and Highways (MoRTH) has launched the visionary Voluntary Vehicle-Fleet Modernization Program(V-VMP). This programme is aimed at creating an ecosystem for phasing out old unsafe, polluting vehicles and replacing them with newer safe and fuel-efficient vehicles. The Ministry has also notified the Registered Vehicle Scrapping Facility (RVSF) Rules vide Notification No. GSR 653(E) dated 23-09-2021 to enable setting up of modern vehicle scrapping facilities in India which can recycle the vehicles in an environment friendly manner. These rules lay down the procedure for establishment of “Registered Vehicle Scrapping Facility” (RVSF) for carrying out dismantling and scrapping operations of “End of Life” vehicles, which is applicable to all vehicles and their last registered owners, Automobile Collection Centres, Automobile Dismantling, Scrapping and Recycling Facilities and recyclers of all types of automotive waste products.

Retiring aging vehicles is crucial for mitigating environmental harm. Older vehicles emit harmful pollutants, exacerbating air pollution and climate change. As the automotive industry evolves, embracing eco-friendly technologies, now is the ideal time to upgrade to newer, fuel-efficient or electric vehicles. By doing so, we can collectively reduce our carbon footprint and contribute to a sustainable future.

Beyond environmental benefits, upgrading to modern vehicles comes with a host of advantages. The latest automotive technologies not only offer enhanced safety features, but also deliver improved fuel efficiency, reducing our dependency on fossil fuels. Embracing electric or hybrid options can further contribute to the global effort to transition towards sustainable energy source.

Moreover, scrapping old vehicles and transitioning to newer models can stimulate economic growth. The automotive industry continually invests in research and development, creating jobs and fostering innovation. By supporting this shift, the State actively contributes to the growth of industries dedicated to producing cleaner, more sustainable transportation options.

The Administration of UT of Ladakh has recognized the importance of this transition and is planning to implement various incentives to encourage people to trade in their old vehicles. These incentives include motor vehicle tax concession, waiver of fee for registration of new vehicles and other perks etc.

2. Objectives and Vision. — As per Ministry of Road Transport and Highways data, in India 1.2 crore End of Life vehicles are estimated to be without valid Registration Certificates and Fitness Certificate.

The Union territory of Ladakh has formulated the Ladakh Motor Vehicle Scrapping Policy, 2025 with the following objectives:

a) Reduce pollution by scrapping old and unfit vehicles.

b) Improve road, passenger and vehicular safety.

c) Boost auto sector and generate employment.

d) Improve fuel efficiency and reduce maintenance cost for vehicle owners.

e) Formalize the current informal vehicle scrappage industry in the Union territory of Ladakh.

f) Boost availability of low-cost raw materials for automotive, steel and electronic industry.

g) Promoting recycling of vehicle scrap in a scientific manner.

h) Promoting of circular economy in an eco-friendly manner.

i) Encourage setting up of Registered Vehicle Scrapping Facilities (RVSF).

3. Short title and application. —

(a) This policy may be called "The Ladakh Motor Vehicle Scrapping Policy, 2025".

(b) These Guidelines shall be applicable in the Union territory of Ladakh.

(c) They shall come into force with effect from the date of publication of notification in the official Gazette.

4. Definitions. — In the Guidelines, unless the context to otherwise requires, —

(a) *"Act*" means, the Motor Vehicles Act, 1988 (59 of 1988);

(b) *"Scrapping"* means, the entire process from receipt and record of the 'End of Life Vehicles' including depolluting, dismantling, segregation of material, safe disposal of non-reusable parts and issuance of Certificate of Vehicle Scrapping to the registered owner of a motor vehicle;

(c) *"Registered Vehicles Scrapping Facility (RVSF)*" mean, any establishment which holds a Registration for Vehicle Scrapping issued by the Transport Department, UT of Ladakh under these Guidelines for carrying out dismantling and scrapping operations;

(d) *"Registration Authority"* mean, the Regional Transport Officer (RTO), UT of Ladakh;

(e) *"Appellate Authority"* mean, the Administrative Secretary, Transport Department, UT of Ladakh;

(f) *"Enforcement Agency"* mean, Police Department, Industries Department, Municipal Corporations/ Commune Panchayat, Pollution Control Board, Department of Revenue and Disaster Management, and Transport Department, UT of Ladakh and any other Departments or agencies authorized by the UT of Ladakh;

(g) *"ELV"* means, 'End of Life Vehicles' which are no longer validly registered or declared unfit through Automated Fitness Centres or their registrations have been cancelled under Chapter IV of the Act or due to an order of a Court of Law or self- declared by the legitimate registered owner as

a waste vehicle due to any circumstances as specified in MoRTH notification No. GSR 653(E) dated 23-09-2021;

(h) *"Certificate of Deposit"* mean, the certificate issued by the Registered Vehicle Scrapping Facility to recognize the transfer of ownership of the vehicle from the Registered Owner to the Registered Scrapper for further treatment;

(i) *"Certificate of Vehicle Scrapping"* mean, the certificate issued by a Registered Vehicle Scrapping Facility to recognize the final disposal of a vehicle;

(j) *"Collection Centre"* mean, a facility or an area that may be used for the sole purpose of collecting and storing the End-of-Life Vehicles and sending it for further processing at the Scrapping Yard;

(k) The vehicles registered in UT Ladakh shall be scrapped only by an authorized RVSF.

5. General Conditions and Applicability. —

(a) An RVSF may be owned and operated by any legal entity, be it a Person, Firm, Society, Company or Trust established in accordance with Law. An application in prescribed Form-I shall be addressed to the Regional Transport Officer (RTO), UT of Ladakh, [Registering Authority of Registered Vehicle Scrapping Facility (RVSF)].

(b) An application for RVSF shall be made online at www.nsws.gov.in accompanied by required documents mentioned in RVSF Rules, 2021 along with non-refundable processing fee of Rs.1,00,000 (Rupees one lakh only) and an earnest money deposit by way of a Bank guarantee of Rs.10,00,000 (Rupees ten lakhs), which shall be disposed within a period of 60 (sixty days) from the date of application.

(c) The Registration for RVSF shall be valid for an initial period of 10 (ten) years, which shall be renewable for another 10 (ten) years at a time.

(d) The Registered Vehicle Scrapping Facility established in the Union territory of Ladakh may accept and scrap the Motor Vehicles Registered in any of the State or Union territory under the jurisdiction of any Registration Authority.

(e) After handing over of the vehicles from owner or authorized person to RVSF, the RVSF shall issue the "Certificate of Deposit" as evidence of transfer of ownership of the vehicle. The Certificate of Deposit, which shall be tradable, shall be a necessary and sufficient document of the owner to avail incentives and benefits for purchase of a new vehicle as may be declared from time to time.

(f) All the rules of the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021 and other applicable Rules and Regulations have to be complied with by the RVSF.

(g) Unless specified otherwise, the definitions in this Policy shall be same as given in the Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021.

(h) Any pending dues on the vehicle to be scrapped shall be cleared before issuing Certificate of Deport by the RVSF.

(i) An undertaking from the owner or representative, indicating that vehicle has no pending criminal record or litigation and there are no pending dues on the vehicle shall be taken by RVSF.

(j) Maintain safe custody of cut pieces of chassis number for a period of six months from the date of issue of Certificate of Vehicle Scrapping (CVS) and a physical copy of all documents for two years and scanned copies for ten years for record and examination during inspection.

6. Eligibility criteria for setting up of RVSF.—

(a) They should establish an office in Union territory of Ladakh.

(b) The RVSF may be owned and operated by any legal entity, be it a person, Firm, Society, Company or Trust established in accordance with Law having the following documents, -

i. Certificate of Incorporation or the Shops and Establishment Act Registration or Udyam Aadhaar;

ii. Valid Goods and Services Tax Registration;

iii. Valid Permanent Account Number

(c) The entity shall have applied for or having an approval for consent to establish from the Registering Authority of the Union territory in which the Registered Vehicle Scrapping Facility is intended to be located.

(d) The entity shall undertake to meet the minimum technical requirement for collection and dismantling centres as per Central Pollution Control Board Guidelines.

(e) The entity shall have competent manpower and appropriate equipment to carry out the depollution and dismantling activities in a safe and environmentally responsible manner.

(f) The entity shall undertake to obtain the required quality certifications of ISO 9001 (quality management system) or ISO 14001 (environmental certification) or ISO 45001 (occupational health and safety) within twelve months of commencement of operations as a Registered Vehicle Scrapping Facility and RVSF shall ensure that ISO certifications are revalidated at least 3 months before their expiry.

(g) The entity shall undertake to abide by the provisions of all applicable Labour codes and all other Acts and Rules as applicable.

(h) The entity shall possess or provide an undertaking to obtain consent to operate from UT Pollution Control Board within a period of six months from commencement of operations.

(i) Necessary licences and permissions for the purpose of setting up of RVSF in the Union territory of Ladakh shall be obtained from Directorate of Industries, Trade and Commerce, Ladakh pollution Control Committee, Department of Labour and other agencies.

(j) The applicant shall provide evidence of availability of an adequate useable area of land in the orange zone of the State/Union territory by way of ownership or agreement to sell or agreement for lease of a minimum period of three years.

(k) The entity shall have necessary cyber security certifications specified under sub-rule (2) of rule 4 of Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules 2021.

(l) The applicant shall provide approved plant layout and the building plan.

7. Criteria for scrapping of vehicles. — The following vehicles shall be scrapped at an RVSF-

(a) Vehicles which have not renewed their Certificate of Registration (RC).

(b) Vehicles which have not been granted a Certificate of Fitness.

(c) Vehicles which are 15 years old and above, owned by the Government/PSUs/Government agencies/Autonomous Councils, etc.

(d) Vehicles which have been damaged due to fire, riot, natural disaster, accident or any calamity, following which the registered owner self-certifies the same as scrap.

(e) Vehicles which have been declared obsolete or surplus or beyond economic repair by the Central or Departments of the UT Administration and have been offered for scrapping.

(f) Vehicles bought by any agency including Registered Vehicle Scrapping Facility in an auction for scrapping the vehicles.

(g) Vehicles which have out lived their utility or application particularly for projects in mining, highways, power, farms etc., as may be self-certified by the owner.

(h) Manufacturing rejects, test vehicles, prototype, vehicles damaged during transportation from vehicle original equipment manufacturer to dealers or unsold or unregistered vehicles as may be certified by the vehicle original equipment manufacturer.

(i) Auctioned, impounded or abandoned vehicles by any enforcement agency.

(j) Any other vehicle voluntarily offered to a Registered Vehicle Scrapping Facility for scrapping by the owner.

8. Strategy for effective implementation of Vehicle Scrapping Policy in Ladakh.— For implementing this Scrapping Policy in an effective way in the Union territory of Ladakh to reduce vehicular pollution and to phase out unfit and polluting vehicles, thereby promoting recycling of vehicle scrap in an eco-friendly manner, the followings steps shall be adopted:-

(a) To encourage and incentivize people to voluntarily hand over their vehicles to RVSF and in pursuance of MoRTH Notification vide GSR 720(E), dated 5th October 2021, in case, a new vehicle is registered against submission of "Certificate of Deposit", the concession in the Motor Vehicle Tax shall be equivalent to 25%-30% in case of non-transport vehicles and 15%-25% in case of transport vehicles in the Union territory of Ladakh. This concession shall be available for a period of 8 years from the date of implementation in case of transport vehicles and 15 years in case of non-transport vehicles.

(b) The vehicles seized and impounded by any enforcement agencies, if, found unfit to ply on road, may be disposed through RVSF by following the prescribed procedures.

(c) After Fitness testing is made mandatory for transport vehicles in Automated Testing Station (ATS), this shall be made compulsory for all categories of vehicles including non-transport vehicles and its fitness testing after 15 years during the time of Renewal of Certificate shall be done only at ATS. Those non-transport vehicles not passing the Fitness test or not granted a Certificate of Fitness by the ATS shall be handed over to the RVSF for scrapping.

9. Interpretation.— The decision of the UT Administration in regards to interpretation of any clause of the Policy shall be final and binding.

10. Tax Concession for End-of-Life Vehicle (ELV) owners. —

S No.	Rule 51A of CMVR Concession in MV Tax No. 1989 Concession in Motor Vehicle Tax against submission of "Certificate of Deposit (CoD)"	Concession in MV Tax
1.	Non-Transport Vehicle	The tax concession to be given for newly registered vehicles against submission of CoD issued by the RVSF shall be equivalent to 25% of tax payable for 15-20 years old vehicles, 30% for 20-25 years old vehicles. Note: For the concession in tax for available, the Certificate of Deposit of same class of vehicle shall be submitted (*e.g.* For two wheeler CoD submitted for two-wheeler, for four-wheeler - four wheeler of LMV, MMV & HMV as the case may be or higher class of vehicle).
2	Transport Vehicle	The tax concession to be given for newly registered vehicles against submission of CoD shall be equivalent to 15% of tax payable for 15-20 years old vehicles, 25% for 20-25 years old vehicles. To encourage the scrapping of End-of Life vehicles, the tax concessions shall be given for all age of vehicles being scrapped.

11. Waiver of Liabilities. — The Administration of UT of Ladakh will consider the waiver of liabilities on vehicle proposed for scrapping after taking inputs from all stake holding Departments /Authorities for such waiver.

12. Rights of the Administration. —

(a) The UT Administration reserves the right to amend any provision(s) including amendment or withdraw any of the incentives/subsidies as and when necessary for promotion of scrapping of unfit and end of life vehicles and in the interest of the general people of the Union territory from time to time under the provision of the Policy.

(b) The UT Administration reserves the right to review the matter regarding sanction/disbursement of subsidies/incentives and in this connection, the decision of the UT Administration shall be final and binding.

(c) The UT Administration may engage an independent agency to study and recommend the number of RVSF viable for the state and locations thereof.

(d) The UT Administration reserves the right to make/amend the necessary rules for implementation of this Policy as and when required.

13. **Rights to inspection. —** In order to ensure compliance of these Guidelines the authorized RVSF should keep office and scrapping yard, records, register maintained by him and all the machineries, equipments and operators in the premises at all the regional time, open for the inspection by the Registration Authority or authorized representative of Transport Department.

14. Payment for Scrapping Vehicles. — The payments for the scrapped vehicles to be made for the owners of ELVs as per the MoRTH Notification No. GSR 653(E), dated 23-09-2021.

15. Applicable Acts and Rules. — Provisions of the following Acts / Rules and Regulations/Guidelines/Amendments thereof are applicable: **—**

(1) The Motor Vehicles Act, 1988.

(2) The Central Motor Vehicles Rules, 1989.

16. Penalty. — In case of any violation of these Guidelines, the Registration Authority may forfeit the security amount in part or full or / and may also cancel the registration of any RVSF. However, an opportunity of hearing will be given before forfeiture of security and before issuance of cancellation orders.

17. Audits and Certifications. —

(a) The Registered Vehicle Scrapping Facility (RVSF) shall be audited by the Registration Authority for compliance with Motor Vehicles (Registration and Functions of Vehicle Scrapping Facility) Rules, 2021.

(b) The Registration Authority may delegate the powers of auditing.

(c) RVSF may be audited by the Competent Authority or any such agency on behalf of Competent Authority for regulatory and compliance audit, audit of mass flow statement as maintained in Form-3 by the RVSF and all conditions stipulated by the Ministry of Road Transport and Highways *vide* Notification No. GSR 653 (E), dated 23-09-2021 and GSR 192(E), dated 10-03-2022 and any conditions that may be imposed from time to time.

(d) Audit report shall be uploaded on the portal by the RVSF annually by the 31st May of that Financial Year.

(e) A yearly report of ELVs scrapped shall be furnished in the format prescribed by the Transport Department.

18. Appeal. —

(a) Any person aggrieved by any order of the Registration Authority for forfeiture of security or issuance of cancellation orders, may within thirty days of the date of receipt of such order prefer an appeal before the Appellate Authority within 30 (thirty) days of issuance of penalty order.

(b) The appeal shall be preferred in duplicate in the form of an application, setting forth the grounds of objections to the order of the Registration Authority and shall be accompanied by a certified copy of the order appealed against and fee of Rs. 1,000 (Rupees one thousand only).

19. Validity of the Policy. — This Policy and concessions shall be valid for five years from the date of publication of notification in the Official Gazette. The time-limit of the Policy shall be extended on approval of the Administration of UT of Ladakh.

20. Amendment of the Policy. — Any clause of this Policy shall be amended within the Policy validity period after obtaining the approval of the Administration of UT of Ladakh.

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